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It's Time to Get Serious About Manufacturing Growth in New York State

Sustaining and growing manufacturing is a global competition. Here, in New York State, we need to be doing all we can to keep our sector thriving. As one of the country's ten largest manufacturing states, we can make a significant case for current and prospective manufacturers to make their products here. Unfortunately, there is a very large barrier to manufacturing in New York—very high property taxes. However, thanks to the Independent Democratic Conference (IDC) of the New York State Senate, that could change. The IDC is proposing that the real property tax rebate for manufactures be 100%. Yes, you read that correctly – property taxes would be zero for manufacturers. And, we all know, you can't beat zero.

Suddenly, New York State would be one of the most attractive states in the country for existing and prospective manufacturing entities. First, New York State eliminated the Corporate Tax for manufacturers. Now, it may be eliminating the real property tax. This would position New York State to take advantage of a growing movement to

keep and expand manufacturing in the United States. But, to do so we need to greatly reduce the high property tax burden in New York.

The IDC estimates it would only cost New York State \$200 million annually. Doing so would anchor the over 450,000 manufacturing jobs and the estimated 1.5 million jobs connected to them. Certainly maintaining 2 million good paying, family supporting jobs – and the potential for many more new ones – is worth the investment. (By comparison, the annual Film Tax Credit is nearly \$500 million and the number of film industry jobs in New York State is approximately 60,000.)

Now is the time to make the statement that New York is Open for Manufacturing. We were once the epicenter of world-wide manufacturing and we can be again. New York State can now position itself to be the place for advanced manufacturing innovation and growth. The United States is once again the #1 developed country in the world for manufacturing. Why not make New York the state to develop existing technologies and the place to build them? Now is the time.

Of course, we need your help to do so. Join us in advocating for this initiative. And, tell your local state legislator and the Cuomo Administration to adopt this forward thinking and far reaching legislation. The budget is slated to be passed by April 1st. You can help by contacting me at rwolken@macny.org or Karyn Burns at kburns@macny.org.

If we act now, we could forever change the direction of New York State manufacturing. With your help, we will.

Business Activity Expanded at a Solid Clip in New York State

Business activity expanded at a solid clip in New York State, according to firms responding to the February 2017 Empire State Manufacturing Survey. The headline general business conditions index rose twelve points to 18.7, its highest level in more than two years. The new orders index climbed to 13.5, and the shipments

index advanced to 18.2, pointing to substantial increases in both orders and shipments. The unfilled orders index rose above zero for the first time in more than five years. Delivery times were reported as longer, and inventories increased. Labor market conditions improved, with both employment and hours worked moving

higher. After reaching multiyear highs last month, the prices paid and prices received indexes were little changed. Indexes assessing the six-month outlook continued to convey a high degree of optimism about future conditions.

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